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Domestic consumer activity pulled back slightly in May, both in sales and confidence in the economy. But that didn't apply to buying the biggest asset most Americans hold: houses. Housing indicators in June showed a continued rebound in permits, starts and sentiment.

The labor market kept chugging, with weekly first-time jobless claims logging their 19th-straight week at less than 300,000. Continuing claims also fell. Manufacturing built on its recent momentum, boosted by improvements in industrial production, and inflation rose modestly.

Cash rates remained at last week's levels, with both the 1- and 3-month Treasury yields at two basis points. It was the same case for the London interbank offered rate (Libor). One-month Libor again offered 19 basis points and the 3-month 29 basis points. The rate for the Fed's overnight reverse-repo facility was 0.05%, and the overnight Treasury and mortgage-backed repo rates remained elevated at 0.08% and 0.10%.